Promotion of tea

2394. SHRI BHAGATRAM MANHAR: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that Government give subsidy incentive for the promotion of tea leaves in various parts of the country;

(b) if so, the details thereof;

(c) whether India has the potential to grow high quality tea; and

(d) if so, the role being played by the Tea Board in marketing and promoting of high quality tea both in India and abroad?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY): (a) and (b) The Government/Tea Board provide various types of financial assistance and other incentives to promote Indian tea which include the following:

*Operating subsidy schemes for subsidizing replantation and rejuvenation activities in the traditional tea growing areas and for new planting in the small grower sector as well as in the non-traditional areas.

*Introduction of a factory upgradation Scheme by the Tea Board to encourage production of good quality orthodox and non-reconditioned CTC teas in the country.

*Announcing of a Quality Upgradation Programme by the Tea Board for improving quality of tea manufactured by small growers in the country.

*Implementation of a Price Subsidy Scheme from 1.5.2000 for a period of six months *i.e.* upto 31.10.2000 under which subsidy was provided to the small growers of tea (holding upto 10.12 hectares of tea plantation) for an amount equal to the shortfall between the auction price and Rs. 55 per kg. The extent of such subsidy was limited to a maximum of Rs. 8 per kg. of tea.

(c) Yes, Sir. India has not only the potential to grow high quality tea but the best tea of the world is being produced in India *e.g.* Darjeeling tea.

(d) To promote Indian Teas in the country as well in overseas markets, Tea Board has taken various steps which include launching of a Generic promotion campaign for improving the consumption of tea within the country, registration of Tea Board Logo and speciality Tea Logo in major tea importing countries, remove bottlenecks in exports to individual markets, participation in major trade fairs/ exhibitions abroad; field sampling at speciality stores and in principal markets; media campaign to increase consumer awareness of speciality Indian teas and to popularise the Tea Board marketing symbol; exchange of tea delegations etc. The Tea Board has also prepared a medium term export strategy on tea for the next five years by engaging a consultant M/s. Accenture.

Supply of Sugar to Nepal

2395. SHRI H. K. JAVARE GOWDA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the State Government of Karnataka has entered into an Agreement with Nepal to Supply Sugar of the Mysore Sugar Company; if so, the details thereof;

(b) whether the transaction required Government of India Performance Guarantee;

(c) if so, whether Government of India have offered Performance Guarantee; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI RAJIV PRATAP RUDY): (a) to (d) In response to a tender floated by Nepal Food Corporation, M/s. Mysore Sugar Company Limited an undertaking of Government of Karnataka, signed a contract with the Nepalese Corporation on 22nd October, 2001, for supply of 10,000 MTs of sugar with specifications given in the tender. After signing the contract, the Indian company realized that sugar with the specifications given in the contract were not available in their stock. Further, the Indian company quoted a price on the assumption that exports to Nepal would be eligible for draw back of excise duty paid